

GLOBAL AGREEMENT ON SOCIAL HOUSING

GLOBAL AGREEMENT made the 13th day of May,
nineteen hundred and eighty-six.

BETWEEN: THE GOVERNMENT OF CANADA
hereinafter called "Canada"

- and - THE GOVERNMENT OF QUEBEC
hereinafter called "Québec"

WHEREAS the parties recognize their mutual responsibilities to provide assistance to those in need of housing as more particularly defined in this Global Agreement;

WHEREAS the parties recognize that differing geographic, historic and economic environments require different responses to meet housing needs;

WHEREAS the parties agree that the planning of overall objectives must be facilitated and that housing initiatives must be assured a certain continuity and that there must be a firm desire to avoid unnecessary duplication and to promote cost effectiveness;

WHEREAS the parties agree that increased flexibility be provided to Québec in the delivery and administration of programs;

WHEREAS the parties wish to conclude a global agreement which is both flexible and all-encompassing and which will enable them to share the cost of any social housing programs or



initiatives which they both wish to foster, and to implement a viable arrangement for the sharing of costs in the field of social housing so as to ensure the attainment of certain defined common objectives.

THEREFORE, the parties agree as follows:

1. DEFINITIONS

1.1 Whenever any of the following words or phrases are used in this Global Agreement, they shall have the respective meaning attributed to them as follows:

- (1) "CORE HOUSING NEEDS" means those HOUSEHOLDS IN NEED as defined in a) and b) under paragraph 1.1(3);
- (2) "HOUSEHOLD" means a person or a group of persons who occupy or who have need of a dwelling in Québec and do not have a principal place of residence elsewhere in Canada;
- (3) "HOUSEHOLDS IN NEED" means those households who cannot afford or cannot obtain adequate and suitable accommodation. This includes those households:
 - (a) who occupy a crowded or inadequate dwelling and who currently pay less than 30% of their income for shelter but for whom basic shelter costs for an adequate and suitable dwelling available in their market area would consume 30% or more of their income, as these terms are defined in the OPERATING AGREEMENT;

- (b) who pay 30% or more of their income for shelter and for whom an adequate and suitable dwelling available in their market area would consume 30% or more of their income;
- (c) who have a need for special purpose accommodation as defined in the Operating Agreement;
- (4) "OPERATING AGREEMENT" means the Agreement described in Sub-section 6.3 of this Global Agreement;
- (5) "PROGRAM" means any social housing program or initiative covered by this Global Agreement and intended for HOUSEHOLDS IN NEED;
- (6) "SOCIAL HOUSING" means assistance provided for the construction, acquisition, renovation or rental of housing or housing projects for HOUSEHOLDS IN NEED.

2. OBJECTIVES

- 2.1 The preamble to this Global Agreement shall be an integral part of this Agreement;
- 2.2 This Global Agreement establishes a framework within which PROGRAMS can be planned, developed, delivered, administered and the costs shared between the parties;
- 2.3 The objective of these PROGRAMS is to assist those HOUSEHOLDS IN NEED to enable them to obtain affordable, adequate and suitable accommodation, as defined in the Operating Agreement;

- 2.4 The parties shall jointly establish management and financial arrangements to ensure economy and efficiency, while allowing for flexibility in ways and means of providing assistance to HOUSEHOLDS IN NEED;
- 2.5 The parties shall collaborate in annual and long-term planning to ensure continuity in social housing, according to an equitable allocation process.

3. SCOPE OF THE AGREEMENT

- 3.1 This Global Agreement applies to all new funding commitments under existing and future PROGRAMS of Canada and Québec which are consistent with the goals, objectives, priorities and conditions of this Global Agreement; which are delivered through housing agencies; which the parties agree upon on a bilateral basis; and which are listed in the OPERATING AGREEMENT;
- 3.2 This Global Agreement will not affect any existing commitments under any Agreement with Québec in respect of existing programs, except for changes that might be deemed acceptable to both parties;
- 3.3 The parties shall enter into an OPERATING AGREEMENT to specify the PROGRAMS, as well as the implementation and the cost-sharing of such PROGRAMS.

4. MANAGEMENT ARRANGEMENTS

4.1 Roles of the Parties

- (1) Québec shall be responsible for the delivery and administration of PROGRAMS where agreed by the parties. Delivery and administration of PROGRAMS

includes the planning, selection, development, approval, inspection, management and maintenance of projects under these PROGRAMS, as specified in the OPERATING AGREEMENT;

- (2) Québec shall ensure that the PROGRAMS which it delivers and administers under the terms of this Global Agreement meet the terms and conditions of any legislation governing these PROGRAMS and all the accompanying regulations;
- (3) Canada may periodically, after full consultation and negotiation with Québec, define the principal objectives to be achieved and the guidelines to be complied with regarding the manner of applying federal funds made available to PROGRAMS;
- (4) Canada may design, modify and deliver PROGRAMS and agrees to participate in full consultation and negotiation with Québec in regard to the nature, object and scope of proposed programs, and agrees to give sufficient notice and full disclosure of its intentions;
- (5) Either party may initiate or develop new PROGRAMS which, with the approval of the other, will be jointly funded.

4.2 Planning Process

- (1) The parties shall undertake a joint planning process, which is detailed in the OPERATING AGREEMENT and which is to include:
 - (a) problem identification (assessment of needs, income, priority groups and the geographic targeting specified in the OPERATING AGREEMENT);
 - (b) selection of the appropriate PROGRAM instruments to meet those needs;
 - (c) budget forecasting;
- (2) As a part of this joint planning process, three-year plans shall be prepared and submitted for the required approvals with the understanding that financial approval shall pertain to the first year's commitments only. The three-year plans shall be appended to the OPERATING AGREEMENT and shall be updated annually;
- (3) To assist in the planning process, the parties agree to share research, surveys and any other information including ongoing data collection and monitoring information.

4.3 Planning and Monitoring Committee

The parties shall establish a Planning and Monitoring Committee. The mandate of the Committee shall be specified in the OPERATING AGREEMENT.

4.4 Timetable

- (1) The parties shall set out in the OPERATING AGREEMENT specific administrative and financial requirements and their respective timetables;
- (2) These timetables shall include the following items:
 - (a) the preparation and submission by each party of three-year plans for those PROGRAMS which they deliver;
 - (b) the review by the Planning and Monitoring Committee of the annually prepared three-year plans and the approval by Québec and Canada of the three-year plan and first-year budget authorities on an annual basis;
 - (c) the exchange of reports and information required to deliver and administer and to monitor the delivery, administration, cost, effectiveness and impacts of the PROGRAMS;
 - (d) the financial reporting and the settlement of claims between Canada and Québec;
 - (e) the evaluation of programs.

4.5 Program Evaluation

- (1) The parties may carry out evaluations of all PROGRAMS jointly, but either party may carry out individual evaluations so as to satisfy particular accountability or legislative requirements binding on either party;

- (2) The parties shall share with one another all evaluations of programs covered by this Global Agreement and detailed in the OPERATING AGREEMENT, whether made jointly or individually;
- (3) The parties agree that the information required by either party for monitoring or evaluating PROGRAMS will be specified in the OPERATING AGREEMENT.

4.6 Operational Audits

- (1) The parties shall jointly carry out operational audits of all PROGRAMS on a cyclical basis as specified in the OPERATING AGREEMENT.

5. FINANCIAL ARRANGEMENTS

5.1 Contributions of the Parties

- (1) The parties' respective share of expenditures on PROGRAMS shall be listed in the OPERATING AGREEMENT and eligible program costs shall be fixed in the OPERATING AGREEMENT and payments shall be made according to the procedures outlined in this section and detailed in the OPERATING AGREEMENT;
- (2) Canada shall make payment in an amount up to, but not exceeding the maximum provided in the OPERATING AGREEMENT, and on the basis of the predetermined percentage agreed upon in the OPERATING AGREEMENT;
- (3) For settlement purposes, periodic interim statements of expenditures and a final statement of expenditures for the previous year shall be submitted as detailed in the OPERATING AGREEMENT.

5.2 Audit

- (1) Either party may inspect and audit at all reasonable times through its duly authorized representatives all financial records, and documents related to any PROGRAM covered by this Global Agreement;
- (2) The audited final statement of expenditures and the findings of operational audits shall be accepted as confirmation of the proper application of funds in accordance with this Global Agreement.

5.3 Allocation Process

- (1) The Parties hereby agree to an allocation process for new social housing commitments as outlined in Schedule 1; the use of this allocation shall be detailed in the three-year plan appended to the OPERATING AGREEMENT;
- (2) On or after September 30 of each year, Canada may reallocate, subject to its financial authorities, any surplus allocations among the provinces and territories after consulting with the parties concerned;

5.4 Redistribution of Funds and Units

- (1) The parties agree that the funds or units allocated to Québec may be transferred from PROGRAM to PROGRAM within certain agreed upon limits specified in the OPERATING AGREEMENT.
- (2) Canada and Québec shall take the necessary steps within their respective administrative entities to review the existing controls over redistribution with the intent of providing increased flexibility.

6. FINAL PROVISIONS

6.1 Publicity and Information

The parties shall jointly develop and carry out a mutually acceptable public information plan, in accordance with the OPERATING AGREEMENT, ~~designed~~ to publicize the role and contributions of each level of government in delivering, administering and financing PROGRAMS governed by this Global Agreement and the OPERATING AGREEMENT.

6.2 Term of this Global Agreement

- (1) This Global Agreement shall remain in force until such time as one party advises the other party in writing at least six months preceding the end of any calendar year of its intention to terminate this Agreement;
- (2) If this Global Agreement is terminated, such termination shall not apply to any commitments for any PROGRAMS made during the term of this Global Agreement nor to any other social housing PROGRAM under any other Agreements between Canada and Québec.

6.3 OPERATING AGREEMENT

- (1) For the purpose of carrying out this Global Agreement, the parties shall sign hereinafter an OPERATING AGREEMENT which will include the terms and conditions applying to all PROGRAMS financed jointly by the parties;

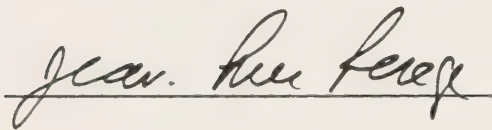
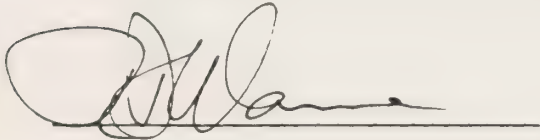
- (2) Without limiting the generality of the foregoing, such an OPERATING AGREEMENT shall include amongst other things:
- the identification of HOUSEHOLDS IN NEED;
 - the list of the PROGRAMS covered by the Global Agreement and the OPERATING AGREEMENT;
 - the responsibility for PROGRAM delivery and administration;
 - the mandate of the Planning and Monitoring Committee;
 - details regarding the joint planning process;
 - information and monitoring requirements;
 - the evaluation of PROGRAMS;
 - the process for allocation of funds and units allocated by Canada to Québec for the implementation of the programs covered by the present global agreement including the reallocations among the provinces and territories;
 - the redistribution of funds and units within provinces and territories;
 - the cost-sharing arrangements;
 - financial commitments and expenditures;
 - financial reporting and claims settlement;
 - public information requirements;
 - the termination, amendment and phase-in of the OPERATING AGREEMENT.
- (3) The parties may by letter of agreement, from time to time, consider special situations that are not included in this Global Agreement and by such letter incorporate any special situations into the OPERATING AGREEMENT.

6.4 Miscellaneous

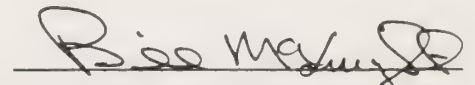
- (1) This Global Agreement binds both Parties and their departments and agents in **respect** of social housing matters as detailed in this Global Agreement and the OPERATING AGREEMENT;
- (2) The funding by Canada and Quebec to implement this Global Agreement is subject to the condition that the Parliament of Canada and the National Assembly of Québec appropriate the necessary funds to finance said Global Agreement for the fiscal year during which funding is required;
- (3) The Schedule hereto is an integral part of this Global Agreement;
- (4) It is recognized by the parties that a phase-in period may be required to implement the provisions of this Global Agreement, the duration of which shall be specified in the OPERATING AGREEMENT.

Signed at Québec this 13th day of May nineteen hundred and eighty-six in quadruplicate in the French and English languages, each text being equally authentic.

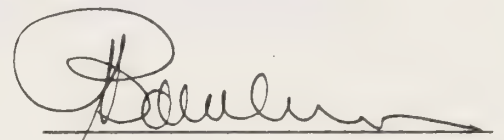
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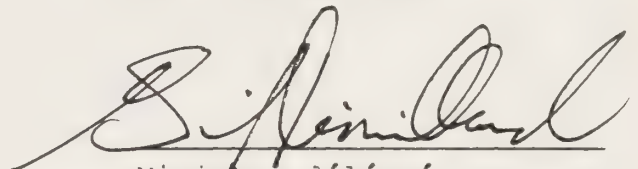
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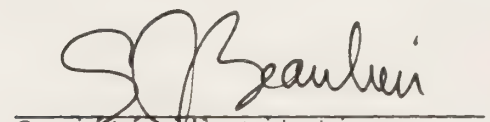
Minister responsible for
Canada Mortgage and
Housing Corporation



Ministre des Affaires
municipales, responsable
de l'habitation



Ministre délégué aux
Affaires intergouverne-
mentales canadiennes



Société d'habitation
du Québec

SCHEDULE (1)

CORE HOUSING NEEDS AND THE ALLOCATION PROCESS

1. For 1986, the allocation of 95% of the units made available by Canada for the Non-Profit Housing Program, Rent Supplement and Rural and Native Housing Programs shall be as follows:

<u>Province</u>	Distribution of	
	<u>Federal Unit Allocation</u>	
	(%)	
Alberta	7.85	
British Columbia	12.71	
Manitoba	5.13	
New Brunswick	3.47	
Newfoundland	2.56	
Nova Scotia	3.50	
Ontario	31.40	
Prince Edward Island	0.69	
Québec	27.38	
Saskatchewan	5.31	

2. For 1986, the allocation of units made available by Canada for the Urban Native Non-Profit Program shall be as follows:

Distribution of	
<u>Province/Territory</u>	<u>Federal Unit Allocation</u>
	(%)
Alberta	16.67
British Columbia	18.81
Manitoba	12.05
New Brunswick	0.59
Newfoundland	0.55
Northwest Territories	0.89
Nova Scotia	1.12
Ontario	28.29
Prince Edward Island	0.11
Québec	9.65
Saskatchewan	10.35
Yukon	0.72

3. For 1986, the allocation of 5% of the units made available by Canada for the social housing programs identified in 1 above, shall ensure the following minimum unit allocations for the Non-Profit, Rent Supplement, Rural and Native and Urban Native Non-Profit Housing Programs:

<u>Province/Territory</u>	<u>Minimum Federal Unit Allocation</u>
Prince Edward Is ^d	135
Yukon	60
Northwest Territories	420

Any residual allocation will be distributed among parties concerned after full consultation and negotiation.

4. Until agreed otherwise by the parties, the process used to allocate the funds made available by Canada for the Homeowner Residential Rehabilitation Assistance Program (RRAP) and Rental RRAP, which involves a three-year phase-in, shall be maintained. Funds made available for Disabled RRAP shall be allocated on the basis of population distribution.
5. The "Société d'habitation du Québec" shall receive that portion of the units or funds allocated to Québec which corresponds to the PROGRAMS which it shall deliver and administer.
6. Notwithstanding the preceding, Québec agrees to participate with the Provinces/Territories and Canada in working towards completion of a mutually agreeable household needs-based allocation model, taking into account the nature of the PROGRAMS involved as well as the clientele they aim to serve. In the interim, the 1986 allocation process shall be maintained for 1987.

AGREEMENT FOR A CANADA QUÉBEC
RENTAL RESIDENTIAL REHABILITATION ASSISTANCE PROGRAM

BETWEEN: THE MINISTER RESPONSIBLE FOR
 CANADA MORTGAGE AND HOUSING CORPORATION

- and - LE MINISTRE DES AFFAIRES MUNICIPALES,
 RESPONSABLE DE L'HABITATION

THE PARTIES HERETO AGREE, in accordance with the provision of paragraph 6.3(3) of the GLOBAL AGREEMENT ON SOCIAL HOUSING dated the 13th day of May 1986, as follows:

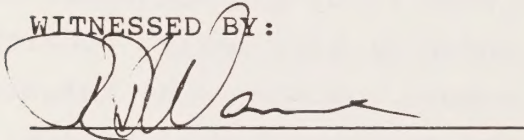
1. The parties will continue negotiations toward agreement no later than 1 July 1986 on the design of a joint rental residential rehabilitation assistance program, with program implementation to take place by the end of July 1986. This program will be delivered by the Société d'Habitation du Québec (SHQ) and cost-shared by both Canada Mortgage and Housing Corporation (CMHC).
2. The joint program will be based on the following parameters which are hereby agreed to by the parties:
 - the program objective is to assist renter households in core housing need, as defined in the Global Agreement, occupying existing substandard rental housing, by providing assistance to repair, rehabilitate or improve the dwellings to a minimum level of health and safety, as set out in the revised Residential Rehabilitation Assistance Program (RRAP) standards.
 - financial assistance will be provided to owners of rental accommodation and will be limited to essential rather than preventive repairs, required to rehabilitate a dwelling to a minimum level of health and safety. Furthermore, the emphasis will be clearly placed on the repair of eligible items as opposed to their replacement, consistent with the revised Residential Rehabilitation Assistance Program standards.
 - the program will apply to rental dwellings, on a universal basis throughout Québec, in all rural and urban municipalities.

- the allocation of resources between the Rental and the Homeowner Residential Rehabilitation Assistance Programs will be respectful of the level of need of both clienteles as determined by the joint planning process, with in addition specific provision for the Residential Rehabilitation Assistance Program for the Disabled.
- budgets for the joint rental rehabilitation assistance program will be made available on an annual basis and will be distributed by SHQ among municipalities according to a method developed for determining households in need, subject to the joint planning process and approved budgets.
- the joint program will be cost-shared on a 50/50 basis by CMHC and SHQ, except where assistance is directed to native households, in which case eligible costs will be shared on a 75/25 basis (CMHC/SHQ).
- under the rental rehabilitation program, priority will be given to units most in need of repair and to renter households in greatest need, according to a formula to be developed which would contain indicators to measure household need and to permit the establishment of the assistance level based on eligible costs and rents. The formula, to be mutually agreed to by SHQ and CMHC, shall be equitable, functional and will take market conditions into account in order to ensure assistance is targeted to the lowest rent levels. The assistance will generally not exceed \$12,000 per unit in the form of a forgivable loan, but in exceptional circumstances, each to be approved by SHQ, may increase to no more than \$17,000 per unit.
- a landlord receiving assistance under the program will enter into an agreement with renter households of units to be rehabilitated; the terms and conditions of the agreement to be entered into will be mutually agreed upon by SHQ and CMHC.

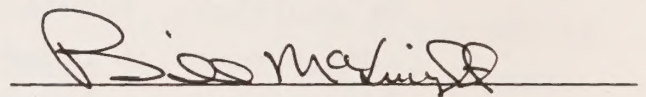
- the landlord will enter into a 15-year operating agreement with SHQ and CMHC, with respect to the conditions of the rehabilitation loan and the earning of forgiveness.
- no assistance under the program will be provided to rental accomodation or projects receiving other on-going federal or Québec social housing assistance.
- SHQ will be responsible for overall delivery and administration of the program, with direct delivery of the program by municipal corporations, wherever possible.
- conversion costs will not be eligible for assistance.
- temporary displacement allowances will be available to renter households, with the minimum level of assistance equal to that provided under the federal Rental Residential Rehabilitation Assistance Program.
- the name, in French and English, of the joint rental residential rehabilitation assistance program will be mutually agreed upon by SHQ and CMHC and shall reflect the participation of both Québec and Canada in the program.

Signed at Québec this 13th day of May nineteen hundred and eighty-six.

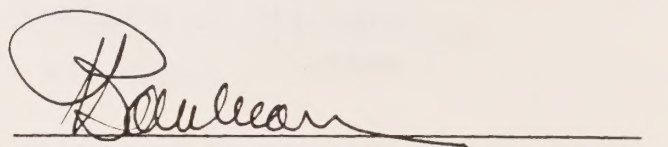
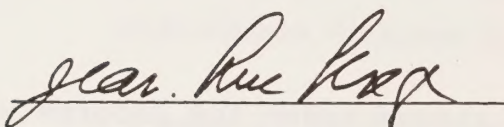
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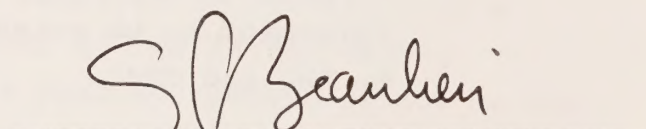
SIGNED BY:



Minister responsible for
Canada Mortgage and
Housing Corporation



Ministre des Affaires municipales,
responsable de l'habitation



Société d'habitation du Québec